



Irish Life Weekly Investment Bulletin

The week that was – WEEK 13 (ending 31/03/2017)

“There are always flowers for those who want to see them.” – Henri Matisse

Irish consumer sentiment increase in March – The KBC Bank Ireland/ESRI consumer sentiment index increased to 101.9 in March from 100.7 in February, partially recovering the drop to 103.1 in January. Three of the five components of the survey were higher, the most notable being ‘household financial circumstances’.

German unemployment falls to record low – Data from the Federal Labor Agency showed that unemployment in Germany, Europe’s largest economy and labour market, fell to a post-reunification low of 5.8% in March. The number of employed people in Germany was about 600,000 higher than a year ago.

Global stock market up 0.6% on the week – The MSCI AC World TR Index had a 0.60% return from 24th March to 31st March as markets bounced back to give a very healthy return of 5.8% for the first Quarter as investors seemed to play down political risk in favor of broader positive macroeconomic news and trends.

U.S. growth revised upwards for Q4 – The Bureau of Economic Analysis reported that gross domestic product increased at a 2.1% annualised rate in Quarter 4 2016 instead of the previously reported 1.9% rate, with personal consumption expenditure increasing more than previously estimated, raised to 3.5% from 3%.

China manufacturing measure hits its highest level in almost five years– China’s statistics bureau reported that the manufacturing purchasing managers’ index (PMI) rose to a better-than-expected 51.8 in March, its strongest level since April 2012 in a fresh sign that the world’s No. 2 economy is picking up steam.

Oil price rise after smaller-than-expected increase in supplies – U.S. oil prices were back above \$50 a barrel for the first time in three weeks following the publication of lower-than-expected U.S. inventory data with West Texas Intermediate crude increasing to \$50 from \$47.80, while global Brent rose to \$52.70 from \$50.60.

The Story of the week: A bronze statue of Real Madrid hero, Cristiano Ronaldo, unveiled at the renaming ceremony of a Portuguese airport on Wednesday is raising eyebrows for its very questionable portrayal of the soccer star. It is even said to resemble our own Niall Quinn a lot more than Ronaldo! Portugal’s Aeroporto da Madeira, is now to be known as Cristiano Ronaldo Airport after the exotic island’s famous export. Cristiano turned up for the ceremony accompanied by his mother Maria Aveiro, girlfriend Georgina Rodriguez and son Cristiano Jnr but the internet was quickly captivated by the bizarre bronze bust situated just behind him. Although apparently meant to pay tribute to Ronaldo, its toothy grin is not winning it many fans. Instead, it’s generating plenty of jokes and head-shaking. Ronaldo joins George Best as the only European footballer with an airport named in his honour but George unfortunately had died the year before the renaming in Belfast.

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Index Performances and Market Data*

Equity Markets % (in Local Currency)	2012	2013	2014	2015	2016	2017 YTD (to 31/03)
ISEQ Overall Return	20.5	35.8	16.8	33.6	-2.7	2.7
FTSE 100 TR	10.0	18.7	0.7	-1.3	19.1	3.6
Euro Stoxx 50 TR	18.1	21.5	4.0	6.4	3.7	6.8
S&P 500 TR	16.0	32.4	13.7	1.4	12.0	6.1
Nasdaq Composite	15.9	38.3	13.4	5.7	7.5	9.8
Nikkei 225	22.9	56.7	7.1	9.1	0.4	-1.1
MSCI Emerging Markets	13.9	0.9	2.6	-8.0	7.1	7.5
MSCI AC World (Gross TR)	16.5	26.2	9.9	1.8	9.7	5.8
Sovereign 10yr Bond Yields (%)	2012	2013	2014	2015	2016	2017 YTD
U.S.	1.7	3.0	2.2	2.2	2.4	2.4
German	1.4	1.9	0.5	0.6	0.2	0.3
UK	1.9	3.0	1.9	1.9	1.2	1.1
Japan	0.7	0.7	0.3	0.2	0.0	0.1
Ireland	4.5	3.4	1.3	1.1	0.7	1.0
Italy	4.6	4.1	2.1	1.6	1.8	2.4
Greece	12.7	8.2	9.6	7.9	7.1	7.0
Portugal	6.9	6.1	2.7	2.5	3.8	4.0
Spain	5.4	4.1	1.6	1.7	1.4	1.7
Central Bank Rates (%)	2012	2013	2014	2015	2016	2017 YTD
ECB	0.75	0.25	0.05	0.05	0.0	0.0
Bank of England	0.5	0.25	0.50	0.50	0.25	0.25
U.S. Federal Reserve	0.25	0.25	0.25	0.50	0.75	1.00
Foreign Exchange Rates	2012	2013	2014	2015	2016	2017 YTD
Euro/Dollar (€/€)	1.31	1.37	1.21	1.09	1.04	1.07
Euro/Sterling (€/£)	0.81	0.83	0.78	0.75	0.84	0.85
Sterling/Dollar (£/\$)	1.61	1.65	1.56	1.46	1.24	1.25
IPD All Property Return (%)	2012	2013	2014	2015	2016	2017
Ireland	3.1	12.7	40.1	25.0	12.8	N/A
U.K.	2.7	10.7	17.8	13.1	3.6	N/A
U.S.	5.3	11.4	11.2	12.1	7.8	N/A

*Past performance is not a reliable guide to future performance